

STATE RISK MANAGEMENT FUND
INVESTMENT PERFORMANCE REPORT AS OF MAY 31, 2006

	May-06				April-06				March-06				December-05				September-05				Current	Prior Year	3 Years	5 Years
	Allocation	Month	Policy	Net ROR	Allocation	Month	Policy	Net ROR	Allocation	Quarter	Policy	Net ROR	Allocation	Quarter	Policy	Net ROR	Allocation	Quarter	Policy	Net ROR	Net	Net	Ended	Ended
	Market Value	Actual			Market Value	Actual			Market Value	Actual			Market Value	Actual			Market Value	Actual					6/30/2005	6/30/2005
LARGE CAP DOMESTIC EQUITY																								
<i>Structured Growth</i>																								
Los Angeles Capital	118,263	3.1%	3.4%	-3.18%	130,413	3.4%	3.4%	0.31%	128,790	3.4%	3.4%	4.95%	86,885	2.3%	3.4%	3.06%	86,016	3.5%	3.4%	5.46%	10.77%	7.56%	N/A	N/A
Total Structured Growth	118,263	3.1%	3.4%	-3.18%	130,413	3.4%	3.4%	0.31%	128,790	3.4%	3.4%	4.95%	86,885	2.3%	3.4%	3.06%	86,016	3.5%	3.4%	5.46%	10.77%	7.56%	7.46%	-9.18%
<i>Russell 1000 Growth</i>				-3.39%				-0.14%				3.09%				2.98%				4.01%	6.54%	1.68%	7.26%	-10.36%
<i>Structured Value</i>																								
LSV	125,272	3.3%	3.4%	-2.65%	130,635	3.4%	3.4%	2.86%	133,351	3.5%	3.4%	6.53%	84,163	2.2%	3.4%	1.52%	86,609	3.5%	3.4%	5.06%	13.77%	18.35%	14.73%	14.78%
<i>Russell 1000 Value</i>				-2.53%				2.54%				5.93%				1.27%				3.88%	11.39%	14.06%	11.00%	6.55%
<i>Russell 1000 Enhanced Index</i>																								
LA Capital	230,471	6.1%	6.8%	-3.31%	242,145	6.4%	6.8%	0.41%	238,999	6.3%	6.8%	4.96%	172,595	4.6%	6.8%	2.29%	171,794	7.0%	6.8%	6.45%	10.97%	7.93%	N/A	N/A
<i>Russell 1000</i>				-2.95%				1.20%				4.49%				2.12%				3.95%	8.94%	7.92%	N/A	N/A
<i>S&P 500 Enhanced Index</i>																								
Westridge	272,194	7.2%	6.8%	-2.86%	284,683	7.5%	6.8%	1.36%	278,385	7.3%	6.8%	4.25%	179,532	4.8%	6.8%	2.10%	166,334	6.7%	6.8%	3.64%	8.61%	6.58%	N/A	N/A
<i>S&P 500</i>				-2.88%				1.34%				4.21%				2.09%				3.60%	8.48%	6.32%	N/A	N/A
<i>Index</i>																								
State Street	83,435			-2.89%	87,276			1.34%	85,372			4.19%	55,092			2.07%	55,105			3.58%	8.41%	6.27%	8.22%	-2.45%
Total Index	83,435	2.2%	2.3%	-2.89%	87,276	2.3%	2.3%	1.34%	85,372	2.2%	2.3%	4.19%	55,092	1.5%	2.3%	2.07%	55,105	2.2%	2.3%	3.58%	8.41%	6.27%	8.22%	-2.45%
<i>S&P 500</i>				-2.88%				1.34%				4.21%				2.09%				3.60%	8.48%	6.32%	8.28%	-2.37%
TOTAL LARGE CAP DOMESTIC EQUITY	829,634	22.1%	22.5%	-3.01%	875,152	23.0%	22.5%	1.17%	864,897	22.8%	22.5%	4.88%	578,267	15.5%	22.5%	2.20%	565,857	22.9%	22.5%	4.97%	10.40%	8.89%	9.59%	-0.28%
<i>S&P 500</i>				-2.88%				1.34%				4.21%				2.09%				3.60%	8.48%	6.32%	8.28%	-2.37%
SMALL CAP DOMESTIC EQUITY																								
<i>Manager-of-Managers</i>																								
SEI	268,827	7.2%	7.5%	-5.62%	296,611	7.8%	7.5%	0.28%	295,713	7.8%	7.5%	13.21%	189,740	5.1%	7.5%	0.95%	187,700	7.6%	7.5%	5.46%	14.08%	9.32%	13.32%	N/A
<i>Russell 2000 + 200bp</i>				-5.45%				0.15%				14.49%				1.64%				5.21%	15.93%	11.64%	15.07%	N/A
TOTAL SMALL CAP DOMESTIC EQUITY	268,827	7.2%	7.5%	-5.62%	296,611	7.8%	7.5%	0.28%	295,713	7.8%	7.5%	13.21%	189,740	5.1%	7.5%	0.95%	187,700	7.6%	7.5%	5.46%	14.08%	9.32%	13.32%	5.50%
<i>Russell 2000</i>				-5.62%				-0.02%				13.94%				1.13%				4.69%	13.84%	9.45%	12.81%	5.71%
DOMESTIC FIXED INCOME																								
<i>Core Bond</i>																								
Western Asset	850,260	22.6%	21.7%	-0.32%	844,564	22.2%	21.7%	-0.24%	846,494	22.3%	21.7%	-0.44%	637,504	17.0%	21.7%	0.28%	545,547	22.1%	21.7%	-0.41%	-1.12%	7.14%	7.36%	8.59%
<i>Lehman Aggregate</i>				-0.11%				-0.18%				-0.65%				0.59%				-0.67%	-1.02%	6.80%	5.75%	7.40%
<i>Index</i>																								
Bank of ND	767,014	20.4%	21.7%	0.06%	755,350	19.9%	21.7%	-0.32%	757,712	19.9%	21.7%	-0.95%	573,570	15.3%	21.7%	0.56%	504,411	20.5%	21.7%	-0.72%	-1.38%	4.59%	5.83%	7.36%
<i>Lehman Gov/Credit (1)</i>				-0.06%				-0.31%				-1.01%				0.60%				-0.96%	-1.74%	4.80%	5.82%	7.35%
<i>BBB Average Quality</i>																								
Wells Capital (formerly Strong)	849,920	22.6%	21.7%	-0.35%	840,632	22.1%	21.7%	-0.39%	843,659	22.2%	21.7%	-1.02%	636,177	17.0%	21.7%	0.58%	539,353	21.9%	21.7%	-1.05%	-2.21%	9.14%	9.20%	N/A
<i>Lehman US Credit BAA</i>				-0.41%				-0.36%				-1.20%				0.39%				-0.97%	-2.53%	8.60%	9.42%	N/A
TOTAL DOMESTIC FIXED INCOME	2,467,194	65.7%	65.0%	-0.21%	2,440,546	64.1%	65.0%	-0.31%	2,447,865	64.4%	65.0%	-0.79%	1,847,251	49.4%	65.0%	0.46%	1,589,310	64.4%	65.0%	-0.73%	-1.58%	6.14%	6.59%	7.79%
<i>Lehman Aggregate (2)</i>				-0.11%				-0.18%				-0.65%				0.59%				-0.67%	-1.02%	7.26%	6.41%	7.70%
CASH EQUIVALENTS																								
<i>Bank of ND</i>	190,699	5.1%	5.0%	0.46%	192,587	5.1%	5.0%	0.37%	191,796	5.0%	5.0%	1.17%	1,126,496	30.1%	5.0%	1.07%	123,248	5.0%	5.0%	0.93%	4.06%	2.46%	1.74%	2.68%
<i>90 Day T-Bill</i>				0.43%				0.34%				1.03%				0.92%				0.83%	3.60%	2.15%	1.55%	2.62%
TOTAL RISK MANAGEMENT FUND	3,756,354	100.0%	100.0%	-1.24%	3,804,896	100.0%	100.0%	0.11%	3,800,271	100.0%	100.0%	1.18%	3,741,754	100.0%	100.0%	0.86%	2,466,115	100.0%	100.0%	1.13%	2.03%	5.98%	7.64%	4.02%
<i>POLICY TARGET BENCHMARK</i>				-1.12%				0.20%				1.59%				1.00%				0.78%	2.46%	6.23%	7.13%	4.37%

NOTE: Monthly returns and market values are preliminary and subject to change.

(1) From April 1, 2004, through June 30, 2005, the benchmark was the LB Intermediate Govt/Credit index.

(2) Prior to July 1, 2005, the benchmark was LB Govt/Credit Index.